

DEPARTMENT OF THE INTERIOR AND RELATED
AGENCIES APPROPRIATIONS FOR 1960

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HEARINGS

BEFORE A

U.S. CONGRESS. HOUSE.
" COMMITTEE ON APPROPRIATIONS
HOUSE OF REPRESENTATIVES
EIGHTY-SIXTH CONGRESS

FIRST SESSION

SUBCOMMITTEE ON DEPARTMENT OF THE INTERIOR AND
RELATED AGENCIES

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DEPARTMENT OF THE INTERIOR

(except Bonneville Power Administration, Bureau of
Reclamation, Southeastern Power Administration,
and Southwestern Power Administration)

COMMISSION OF FINE ARTS

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FOREST SERVICE

HISTORICAL AND MEMORIAL COMMISSIONS

INDIAN CLAIMS COMMISSION

NATIONAL CAPITAL PLANNING COMMISSION

SMITHSONIAN INSTITUTION

VIRGIN ISLANDS CORPORATION

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REVOLVING FUND FOR LOANS AND TRIBAL FUNDS

REVOLVING FUND FOR LOANS

Program and financing

	1958 actual	1959 estimate	1960 estimate
Program by activities:			
Operating costs:			
Administrative expenses.....	\$471,770	\$566,000	\$754,000
Provision for losses on loans.....	185,720	230,000	230,000
Total operating costs.....	657,490	796,000	984,000
Unfunded adjustments to total operating costs: Provision for losses on loans included above (-).....	-185,720	-230,000	-230,000
Total operating costs, funded.....	471,770	566,000	754,000
Capital outlay: Acquisition of loans.....	2,446,615	1,760,000	1,369,000
Total program (costs—obligations).....	2,918,385	2,326,000	2,123,000
Financing:			
Amounts becoming available: Revenue and receipts:			
Collection of loans.....	1,946,951	1,500,000	1,500,000
Interest on loans.....	134,623	150,000	150,000
Cattle settlements.....	206,338	50,000	40,000
Total amounts becoming available.....	2,287,912	1,700,000	1,690,000
Unobligated balance brought forward.....	7,945,384	7,314,911	6,688,911
Total amounts available.....	10,233,296	9,014,911	8,378,911
Unobligated balance carried forward.....	-7,314,911	-6,688,911	-6,255,911
Financing applied to program.....	2,918,385	2,326,000	2,123,000

TRIBAL FUNDS

Program and financing

	1958 actual	1959 estimate	1960 estimate
Program by activities:			
Direct costs:			
1. Education and welfare services.....	\$163,280	\$175,301	\$170,401
2. Resources management.....	634,280	729,949	692,411
3. Construction and land acquisition.....	74,301	67,000	65,000
4. General tribal affairs.....	474,481	2,027,750	2,072,188
Subtotal (limitation).....	1,346,340	3,000,000	3,000,000
5. Payments to Indian tribes.....	32,671,341	31,026,321	23,807,907
6. Miscellaneous tribal activities.....	18,140,433	21,208,503	16,416,364
7. Advances to Indian tribes (indefinite authorizations).....	14,652,276	10,054,777	2,352,451
Total direct costs.....	66,810,390	65,289,601	45,576,722
Reimbursable costs:			
8. Revolving tribal credit funds.....	77,950	200,000	200,000
Total program costs.....	66,888,340	65,489,601	45,776,722
9. Relation of costs to obligations:			
Obligations incurred for costs of other years, net.....	112,744		
Total program (obligations).....	67,001,084	65,489,601	45,776,722
Financing:			
Unobligated balance brought forward (appropriated).....	148,796,966	134,468,846	141,753,768
Unobligated balance brought forward (unappropriated).....	100,469	2,394,523	
Receipts:			
Various tribal funds.....	54,709,257	70,000,000	70,000,000
Licenses under Federal Power Act from Indian reservations.....	179,811	180,000	180,000
Reimbursements from non-Federal sources (25 U.S.C. 470).....	77,950	200,000	200,000
Unobligated balance carried forward (appropriated).....	-134,468,846	-141,753,768	-166,257,046
Unobligated balance carried forward (unappropriated).....	-2,394,523		
Total financing.....	67,001,084	65,489,601	45,776,722

Object classification

	1958 actual	1959 estimate	1960 estimate
Direct obligations:			
Total number of permanent positions.....	357	331	250
Full-time equivalent of all other positions.....	379	372	372
Average number of all employees.....	675	639	584
Number of employees at end of year.....	336	339	400
Average GS grade and salary.....	5.3 \$4,290	5.2 \$4,725	5.3 \$4,806
Average salary of ungraded positions.....	\$3,630	\$3,649	\$3,683
01 Personal services:			
Permanent positions.....	\$1,310,625	\$1,231,926	\$998,870
Positions other than permanent.....	1,334,492	1,327,267	1,322,247
Other personal services.....	15,136	17,096	22,260
Total personal services.....	2,660,253	2,576,289	2,343,377
02 Travel.....	59,860	58,620	57,800
03 Transportation of things.....	57,132	51,321	49,450
04 Communication services.....	20,182	18,134	17,150
05 Rents and utility services.....	20,951	21,630	20,000
06 Printing and reproduction.....	6,957	5,400	5,310
07 Other contractual services.....	1,572,160	1,357,470	1,245,540
08 Supplies and materials.....	992,420	943,251	981,250
09 Equipment.....	85,481	80,242	75,620
10 Lands and structures.....	10,731	67,000	65,000
11 Grants, subsidies, and contributions.....	58,952,919	58,055,029	38,781,387
12 Taxes and assessments.....	565,245	470,000	470,000
13 Investments and loans.....	1,948,121	1,623,140	1,500,000
Subtotal.....	66,952,412	65,325,526	45,811,564
Deduct quarters and subsistence charges.....	20,278	35,925	34,842
Total direct obligations.....	66,923,134	65,289,601	45,576,722
Reimbursable obligations:			
16 Investment and loans.....	77,950	200,000	200,000
Total obligations.....	67,001,084	65,489,601	45,776,722

JUSTIFICATION OF THE ESTIMATE

Mr. KIRWAN. Insert pages 176 and 177 and 179 through 185 covering the "Revolving fund for loans" and "Tribal funds." (The matter referred to follows:)

REVOLVING FUND FOR LOANS

The revolving fund for loans is used to assist Indians in acquiring livestock, farm, and other equipment and in establishing tribal business enterprises (25 U.S.C. 470, 471, 631). This fund and miscellaneous tribal funds provide the only source of loans for the great majority of Indians who cannot borrow from ordinary commercial credit sources because of their low economic status and lack of bankable security.

As of June 30, 1958, the principal of the fund amounted to \$16.5 million, consisting of \$13.8 million appropriated, and \$2.7 million cattle settlements. Cattle settlements are payments made by the Indians for breeding stock furnished by the Government generally prior to establishment of this fund.

The deficit includes net writeoffs of loans receivable amounting to \$104,018.79. Administrative expenses of \$754,000 are included in the 1960 estimate.

Revenue, expense, and retained earnings

	1958 actual	1959 estimate	1960 estimate
Loan program:			
Revenue.....	\$134,623	\$150,000	\$150,000
Administrative expenses.....	471,770	566,000	754,000
Provision for losses on loans.....	185,720	230,000	230,000
Net loss (-) for the year.....	-522,867	-646,000	-834,000
Deficit (-), beginning of year.....	-1,617,493	-2,140,360	-2,786,360
Deficit (-), end of year.....	-2,140,360	-2,786,360	-3,620,360

REVOLVING FUND FOR LOANS AND TRIBAL FUNDS

REVOLVING FUND FOR LOANS

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3. Construction and land acquisition.....	74,301	67,000	65,000
4. General tribal affairs.....	474,481	2,027,750	2,072,188
Subtotal (limitation).....	1,346,340	3,000,000	3,000,000
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Deficit (-), end of year.....	-2,140,360	-2,786,360	-3,620,360

Tribal funds

Appropriation, 1958.....	\$2,920,000
Appropriation, 1959.....	3,000,000

SUMMARY OF INCREASES AND DECREASES, 1960

No increase or decrease in this appropriation.	
Net change, 1960.....	0
Budget estimate, 1960.....	3,000,000

Analysis by activities

Activity	Amount available, 1958	Amount available, 1959	Estimate, 1960	Increase (+) or decrease (-)
1. Education and welfare services.....	\$163,280	\$175,301	\$170,401	
2. Resources management.....	634,278	729,949	692,411	-\$4,000
3. Construction and land acquisition.....	74,301	67,000	65,000	-\$7,331
4. General tribal affairs.....	474,481	2,027,750	2,072,188	-\$2,000
Total.....	1,346,340	3,000,000	3,000,000	0

HIGHLIGHT STATEMENT

Approximately 300 Indian tribes, bands, or identifiable groups have approximately 600 accounts in the United States Treasury which are used for the conduct of tribal financial programs, enterprises, businesses, and other tribal affairs. These funds are available for various purposes under various acts of Congress and are also subject to the provisions of tribal constitutions, bylaws, charters, and resolutions of the various tribes, bands, and groups.

Tribes who need their own funds which are on deposit in the United States Treasury are required to prepare budgets for approval. Tribal funds are programed under three categories; namely, "Permanent authorization," "Annual authorization," and "Indefinite authorization."

Funds programed under the "Permanent authorization" are made available under various acts of Congress and can be disbursed either through the Treasury disbursing offices or advanced to a tribe for the disbursement through the Indian Service disbursing agent's accounts or advanced to a tribe for the disbursement by a bonded tribal treasurer under the approval plan of operation. These funds do not require annual approval by Congress, but are reported annually in the budget schedules. Funds programed under the "Annual authorization" are disbursed through the Treasury disbursing offices, subject to the same procedures and limitations as appropriated gratuity funds and require annual approval by Congress. Funds programed under the "Indefinite authorization" are made available under the annual Interior Department Appropriation Act under the heading "Tribal funds." These funds are advanced to tribes for disbursement by Indian Service disbursing agents or by bonded tribal treasurers under a plan of operation. The following proviso makes these funds available " * * * Provided, That in addition to the amount appropriated herein, tribal funds may be advanced to Indian tribes during the current fiscal year for such purposes as may be designated by the governing body of the particular tribe involved and approved by the Secretary: * * * " Some Indian tribes employ more than one of the above methods in conducting their affairs.

In the last 10 to 15 years many tribes have progressed to the point that they have taken over the management of their affairs and the disbursement of their funds under a plan of operation previously approved by the Secretary and it is the policy of the Bureau to encourage tribes in this respect. Annual audits made of tribal funds by certified accountants of commercial auditing firms are submitted to the Bureau for review and information.

Plan of work.—No part of the funds contained in this estimate represents a charge upon the Federal Treasury. This item reflects the disbursement of funds to the credit of Indian tribes or bands under numerous special acts of Congress in compliance with the terms of the various trusts and for carrying out tribal programs recommended by the tribal governing bodies with the approval of the Commissioner of Indian Affairs.

The budget schedule reflects under the permanent authorization, disbursements from the tribal trust funds authorized by permanent legislation, and under the annual and indefinite authorizations, amounts requested annually by the various tribes for carrying out various tribal activities.

The estimate, therefore, is restricted to the funds requested annually as required by section 27 of the act of May 18, 1916 (39 Stat. 158).

STATUS OF PROGRAM

All amounts in the estimate have been requested properly by the Indians except the sum of \$1,609,317 shown for miscellaneous tribes in the following tabulation. The amount under miscellaneous tribes is required to provide for additional resolutions that can be anticipated during the fiscal year.

Comparative statement of annual authorization by tribes

State, agency or tribe	1958	1959	1960
Arizona.....	\$29,820	\$49,069	\$47,125
Fort Apache Agency, Fort Apache.....	20,842	25,500	34,625
San Carlos Agency, San Carlos.....	8,978	23,569	12,500
California.....	120,115	172,977	162,966
Tule River.....	5,824	36,814	26,000
Hoopa Valley.....	43,613	68,500	68,500
Miscellaneous tribes.....	10,227	10,014	9,800
Agua Caliente.....	58,532	64,649	65,977
Owens Valley.....	1,919	3,000	2,689
Florida: Seminole.....	52,963		
Idaho: Northern Idaho Agency.....	68,098	78,626	35,321
Coeur d'Alene.....	3,731	2,800	2,800
Nex Perce.....	64,367	75,826	32,521
Minnesota: Minnesota Agency, Red Lake.....	95,424	114,380	114,380
Montana.....	2,515	29,285	5,000
Blackfeet Agency, Blackfeet.....		23,500	
Fort Belknap Agency, Fort Belknap.....	2,515	5,785	5,000
Nevada: Nevada Agency, Pyramid Lake.....	4,171		
New Mexico: Jicarilla Agency, Jicarilla.....	23,518	29,285	23,898
North Dakota: Fort Berthold Agency, Fort Berthold.....		11,000	13,000
Oklahoma.....	388,226	397,796	399,576
Five Civilized Tribes Agency.....	34,905	51,475	53,255
Cherokee.....	1,841	7,075	7,075
Choctaw.....	20,258	19,063	20,085
Chickasaw.....	7,810	11,522	11,980
Seminole.....	2,544	7,990	8,290
Creek.....	2,452	5,825	5,825
Osage Agency, Osage.....	353,323	346,321	346,321
Oregon: Umatilla Agency, Umatilla.....	100,683		96,447
Washington.....	437,367	502,691	492,970
Colville Agency.....	126,367	127,275	100,695
Colville.....	108,778	107,275	83,695
Spokane.....	17,589	20,000	17,000
Western Washington Agency.....	3,273	9,200	9,200
Puyallup.....	495	1,200	1,200
Quilteute.....	1,120	500	500
Quinalt.....	1,658	7,500	7,500
Yakima Agency, Yakima.....	307,727	366,216	383,075
Wisconsin: Menominee Agency, Menominee.....	23,438	26,712	
Miscellaneous tribes.....		1,588,179	1,609,317
Grand total.....	1,346,340	3,000,000	3,000,000